

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2005 OF THE CONDITION AND AFFAIRS OF THE

Community Choice Michigan

·	0000 0000 ent Period) (Prior Period)	NAIC Company Code	95562	Employer's ID Number	38-3252216
Organized under the Laws of	, , ,	gan . Sta	ate of Domicile o	r Port of Entry	Michigan
Country of Domicile		,	ates of America		
Licensed as business type:	Life, Accident & Health []	Property/Casualt	v [] Denta	Service Corporation []	
	Vision Service Corporation	' '		n Maintenance Organization [X1
	Hospital, Medical & Dental			O, Federally Qualified? Yes [_
Incorporated/Organized	, ,	, , ,			
Incorporated/Organized	05/24/1995	Commer	ced Business	08/01/199	96
Statutory Home Office		ke Dr, Suite 200 nd Number)	,	Okemos, MI 48864 (City or Town, State and Zip	
Main Administrative Office	,	,	Woodlake Dr, Su		,
		2503	(Street and Number)		
	Kemos, MI 48864 Town, State and Zip Code)		(A	517-349-9922 Area Code) (Telephone Number)	
Mail Address	2369 Woodlake Dr, Suit			Okemos, MI 48864	
Drive and Leasting of Deales of	(Street and Number or P.O. E	Box)	0000 Waadla	(City or Town, State and Zip Code)	
Primary Location of Books a	1d Records			ke Dr, Suite 200	
	kemos, MI 48864 Town, State and Zip Code)		` .	517-706-6604	
Internet Website Address	Town, State and Zip Code)	1404	w.ccmhmo.org	Area Code) (Telephone Number)	
-			w.ccminino.org	F17 700 0004	
Statutory Statement Contact	(Nar			517-706-6604 (Area Code) (Telephone Number) (E	ktension)
kim.saxt	ton@csmg-online.com (E-mail Address)			517-349-5343 (FAX Number)	
Policyowner Relations Conta	,	2260	Woodlake Dr. Su	,	
Folicyowner Relations Conta		et and Number)	Woodlake DI, St	iile 200	
	Kemos, MI 48864 Town, State and Zip Code)		(Area C	800-390-7102 rode) (Telephone Number) (Extension)	
(-3)	,,		(, 5 5	cac) (raispinalia rialibal) (Extension)	
		OFFICERS			-
Name Christine Baumgardne	Tit er , Board Pr	· -	Name Chris Shea	Board	Title Vice-President
Sharron Gallop	Board Secreta		Offins Office	, <u>Board</u>	VICC I ICSIGCIII
		OTHER OFFIC	ERS		
	DI	RECTORS OR TR	USTEES		
Velma Hendershott	AJ Jo		Denise Holme	es Ant	hony King
Patricia Teague Chris Shea	Evonne \ Gwendolyr		Sharron Gallo	DP Christine	Baumgardner
	_Michigan	SS			
County of	Ingham				
above, all of the herein described this statement, together with relat of the condition and affairs of the completed in accordance with the that state rules or regulations req	I assets were the absolute proper ted exhibits, schedules and expla e said reporting entity as of the re b NAIC Annual Statement Instruct juire differences in reporting not re	rty of the said reporting entity, frontions therein contained, anne- porting period stated above, an cions and Accounting Practices a elated to accounting practices a	ee and clear from a ked or referred to is d of its income and nd Procedures man nd procedures, acco	aid reporting entity, and that on the invite of the solution o	as herein stated, and that e assets and liabilities and od ended, and have been state law may differ; or, (2) on, knowledge and belief,
				ling electronic filing with the NAIC, ay be requested by various regulat	
Joanne Vo Executive Di		Pamela S. Sedm Chief Financial Off		Christine Bau Board Pre	
Subscribed and sworn to be day of	efore me this		b. If n 1. S 2. D	State the amendment number Date filed	Yes [X] No []
			3. N	lumber of pages attached	

EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

NONE 299997 Group subscriber subtotal 0					· · · · · · · · · · · · · · · · · · ·		
NONE NONE 299997 Group subscriber subtotal	1	2	3	4	5	6	7
NONE NONE 229997 Group subscriber subtotal 229998 Premiums due and unpaid for mideciaer entities 30 90 90 90 90 90 90 90 90 90 90 90 90 90		1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
NONE NONE 229997 Group subscriber subtotal 229998 Premiums due and unpaid for mideciaer entities 30 90 90 90 90 90 90 90 90 90 90 90 90 90	0199999 Total individuals						
NONE 299997 Group subscriber subtotal 0	Group subscribers:						
299997 Group subscriber subtotal 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							
299997 Group subscriber subtotal 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							
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299997 Group subscriber subtotal 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							
0299998 Premiums due and unpaid not individually listed		ļ		-			
0299998 Premiums due and unpaid not individually listed				-			
0299998 Premiums due and unpaid not individually listed				-			
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0299998 Premiums due and unpaid not individually listed							
0299998 Premiums due and unpaid not individually listed							
0299998 Premiums due and unpaid not individually listed	0299997 Group subscriber subtotal	0	0	0	0	0	0
0299999 Total group	0299998 Premiums due and unpaid not individually listed						
0399999 Premiums due and unpaid from Medicare entities	0299999 Total group	0	0	0	0	0	0
0499999 Premiums due and unpaid from Medicaid entities	0399999 Premiums due and unpaid from Medicare entities						
	0499999 Premiums due and unpaid from Medicaid entities						
0599999 Accident and health premiums due and unpaid (Page 2, Line 13)	0599999 Accident and health premiums due and unpaid (Page 2, Line 13)	0	0	0	0	0	0

EXHIBIT 3 - HEALTH CARE RECEIVABLES

EXHIBIT OF HEALTH OARE REGELVABLES												
1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted						
ndividually Listed Receivables: State Of Michigan - Psychotropic Express Scripts - Pharmacy Rebates												
State Of Michigan - Psychotropic	216,039 53,822					216,03 176,75						
Express Scripts - Pharmacy Rebates	53,822		63,486	210,744	210,744	176.75						
		,		,	,	., .						
0199998 – Aggregate of amounts not individually listed above.				0								
0199999 -	269,861			210,744	210,744	392,79						
Visita of Michigan - Capitation	34,000		31,812	120,022	210,744	220. 70						
State of Michigan - Capitation				318,032								
0499999 -	280,656	160,279	41,969	438,054		920,95						
		100,279	41,909			920,930						
0699998 - Aggregate of amounts not individually listed above.	72,652			1,300		73,95						
0699999 -				1,300								
					+							
					†							
		1	1	.								
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			T									
0799999 Gross health care receivables	623.169	219.727	105.455	650.098	210.744	1.387.70						

EXHIBIT 4 – CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

	Aging Analysis of Unpaid	Claims		_	_	
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	Over 120 Days	Total
Claims Unpaid (Reported)						
0199999 Individually listed claims unpaid	0	0	0	0	0	0
0299999 Aggregate accounts not individually listed-uncovered.						0
0399999 Aggregate accounts not individually listed-covered	1,458,771	23,456				1,482,227
0499999 Subtotals	1,458,771	23,456	0	0	0	1,482,227
0599999 Unreported claims and other claim reserves						10,392,156
0699999 Total amounts withheld						44.07:
0799999 Total claims unpaid						11,874,383
0899999 Accrued medical incentive pool and bonus amounts						368,405

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5	6	Adm	itted
						7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current
Individually Listed Receivables: Sterling Health Services				28,812	28,812		
0199999 Individually listed receivables	0	0	0	28,812	28,812	0	0
0199999 Individually listed receivables							
0399999 Total gross amounts receivable	0	0	0	28,812	28,812	0	0

EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

1	2	3	4	5
Affiliate	Description	Amount	Current	Non-Current
	NONE			
			• • • • • • • • • • • • • • • • • • • •	
0100000 ladisidusllu liated acuablas		Λ	Λ	Λ
0199999 Individually listed payables			U	υ
UZ99999 Payables not individually listed		^	^	^
0399999 Total gross payables		0	0	0

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ANNUAL STATEMENT FOR THE YEAR 2005 OF THE Community Choice Michigan

EXHIBIT 7 PART 1- SUMMARY OF TRANSACTIONS WITH PROVIDERS

		. 10/ 10 10 10		<u> </u>		
Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total	3 Total Members Covered	4 Column 3 as a % of Total	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
Capitation Payments:						
1. Medical groups	0	0.0		0.0		
2. Intermediaries	0	0.0		0.0		
3. All other providers	2,251,603	2.7		0.0	143,000	2,108,603
Total capitation payments	2,251,603	2.7	0	0.0	143,000	2,108,603
Other Payments:					·	
5. Fee-for-service	11,546,612	14.0	XXX	XXX		11,546,612
6. Contractual fee payments	62,766,378	76.2	XXX	XXX		62,766,378
7. Bonus/withhold arrangements - fee-for-service	5,855,439	7.1	XXX	XXX	3,021,385	2,834,054
Bonus/withhold arrangements - contractual fee payments	0	0.0	XXX	XXX		
9. Non-contingent salaries	0		XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	80,168,429	97.3	XXX	XXX	3,021,385	77, 147, 044
13. TOTAL (Line 4 plus Line 12)	82,420,032	100 %	XXX	XXX	3,164,385	79,255,647

EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

1	2	3	4 Average Monthly	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized	
NAIC Code	Name of Intermediary	Capitation Paid	Capitation	Total Adjusted Capital	Control Level RBC	
	NONE					
9999999 Totals			XXX	XXX	XXX	

EXHIBIT 8 – FURNITURE, EQUIPMENT AND SUPPLIES OWNED

		1	2	3	4	5	6
	Description	ost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
Administrative furniture and equipment							
Medical furniture, equipment and fixtures		 					
Pharmaceuticals and surgical supplies							
Durable medical equipment							
5. Other property and equipment							
6. Total		0	0	0	0	0	0



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION

Community Choice Michigan

Community Choice Michigan

2.

NAME OF THE OTATE OF	SEM: L'					*AD 0005				(LOCA	TION)	0 1	05500
NAIC Group Code 0000 BUSINESS IN THE STATE (JE Michigan	Compre	hensive	DURING THE YEAR 2005						NAIC Compar	ny Code	95562	
	1	(Hospital 8		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	49,047								49,047				
2 First Quarter	47 ,815								47 ,815				
3 Second Quarter	50,515								50 , 515				
4. Third Quarter	47 , 222								47 , 222				
5. Current Year	46,995								46,995				
6 Current Year Member Months	576,991								576,991				
Total Member Ambulatory Encounters for Year:													
7. Physician	172,591								172,591				
8. Non-Physician	235,331								235,331				
9. Total	407,922	0	0	0	0	0	0	0	407,922	0	0	0	0
10. Hospital Patient Days Incurred	18,563								18,563				
11. Number of Inpatient Admissions	4,362								4,362				
12. Health Premiums Written	101,242,337								101,242,337				
13. Life Premiums Direct	0												
14. Property/Casualty Premiums Written	0												
15. Health Premiums Earned	101,983,706								101,983,706				
16. Property/Casualty Premiums Earned	0												
17. Amount Paid for Provision of Health Care Services	82,420,032								82,420,032	•			
18. Amount Incurred for Provision of Health Care Services	79,716,771								79,716,771				

(a) For health business: number of persons insured under PPO managed care products _____and number of persons under indemnity only products _____



EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION Community Choice Michigan

NAIC Group Code 0000 BUSINESS IN THE STATE OF Consolidated DURING THE YEAR 2005 (LOCATION) NAIC Company Code 95562													95562
	1	Compre (Hospital 8	& Medical)	4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other
Total Members at end of:													
1. Prior Year	49,047	0	0	0	0	0	0	0	49,047	0	0	0	0
2 First Quarter	47 ,815	0	0	0	0	0	0	0	47 ,815	0	0	0	0
3 Second Quarter	50,515	0	0	0	0	0	0	0	50,515	0	0	0	0
4. Third Quarter	47 ,222	0	0	0	0	0	0	0	47 ,222	0	0	0	0
5. Current Year	46,995	0	0	0	0	0	0	0	46,995	0	0	0	0
6 Current Year Member Months	576,991	0	0	0	0	0	0	0	576,991	0	0	0	0
Total Member Ambulatory Encounters for Year:													
7. Physician	172,591	0	0	0	0	0	0	0	172,591	0	0	0	0
8. Non-Physician	235,331	0	0	0	0	0	0	0	235,331	0	0	0	0
9. Total	407,922	0	0	0	0	0	0	0	407,922	0	0	0	0
10. Hospital Patient Days Incurred	18,563	0	0	0	0	0	0	0	18,563	0	0	0	0
11. Number of Inpatient Admissions	4,362	0	0	0	0	0	0	0	4,362	0	0	0	0
12. Health Premiums Written	101,242,337	0	0	0	0	0	0	0	101,242,337	0	0	0	0
13. Life Premiums Direct	0	0	0	0	0	0	0	0	0	0	0	0	0
14. Property/Casualty Premiums Written	0	0	0	0	0	0	0	0	0	0	0	0	0
15. Health Premiums Earned	101,983,706	0	0	0	0	0	0	0	101,983,706	0	0	0	0
16. Property/Casualty Premiums Earned	0	0	0	0	0	0	0	0	0	0	0	0	0
17. Amount Paid for Provision of Health Care Services	82,420,032	0	0	0	0	0	0	0	82,420,032	0	0	0	0
18. Amount Incurred for Provision of Health Care Services	79,716,771	0	0	0	0	0	0	0	79,716,771	0	0	0	0

(a) For health business: number of persons insured under PPO managed care products 0

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

1.	Book/adjusted carrying value, December 31, prior year.	0
2.	Increase (decrease) by adjustment:	
	2.1 Totals, Part 1, Column 11	0
	2.2 Totals, Part 3, Column 7	0
3.	Cost of acquired, (Totals, Part 2, Column 6, net of encumbances solutions and let of little permanent improvements (Column 9)	0
4.	Cost of additions and permanent improvements:	
	4.1 Totals, Part 1, Column 14	0
	4.2 Totals, Part 3, Column 9	0
5.	Total profit (loss) on sales, Part 3, Column 14	0
6.	Increase (decrease) by foreign exchange adjustment:	
	6.1 Totals, Part 1, Column 12	0
	6.2 Totals, Part 3, Column 8	0
7.	Amounts received on sales, Part 3, Column 11 and Part 1, Column 13	0
8.	Book/adjusted carrying value at end of current period	0
9.	Total valuation allowance	
	Subtotal (Lines 8 plus 9)	0
11.	Total nonadmitted amounts	
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)	0

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1.	Book value/recorded investment excluding accrued interes in molecular accrued interes in molecular accrued interes in molecular accrued interes in molecular accrued in the	0
2.	Amount loaned during year:	
	2.1 Actual cost at time of acquisitions	
	2.2 Additional investment made after acquisitions	0
3.	Accrual of discount and mortgage interest points and commitment fees	
4.	Increase (decrease) by adjustment	
5.	Total profit (loss) on sale	
6.	Amounts paid on account or in full during the year	
	Amortization of premium	
8.	Increase (decrease) by foreign exchange adjustment	
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period	0
10.	Total valuation allowance	
11.	Subtotal (Lines 9 plus 10)	0
12.	Total nonadmitted amounts	
13.	Statement value of mortgages owned at end of current period (Page 2 mortgage lines. Net Admitted Assets column)	0

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Long-Term Invested Assets

1.	Book/adjusted carrying value of long-term invested assets and decreased 1 or long year.
2.	Cost of acquisitions during year:
	2.1 Actual cost at time of acquisitions
	2.2 Additional investment made after acquisitions
3.	Accrual of discount
4.	Increase (decrease) by adjustment
5.	Total profit (loss) on sale
6.	Amounts paid on account or in full during the year
7.	Amortization of premium
8.	Increase (decrease) by foreign exchange adjustment
9.	Book/adjusted carrying value of long-term invested assets at end of current period
10.	Total valuation allowance
11.	Subtotal (Lines 9 plus 10)
12.	Total nonadmitted amounts
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)

Schedule D - Part 1A - Section 1

NONE

Schedule D - Part 1A - Section 2

NONE

Schedule DA - Part 2

NONE

Schedule DB - Part A - VBY NONE

Schedule DB - Part B - VBY

NONE

Schedule DB - Part C - VBY NONE

Schedule DB - Part D - VBY NONE

Schedule DB - Part E - VBY NONE

Schedule DB - Part F - Section 1

NONE

Schedule DB - Part F - Section 2

NONE

SCHEDULE S - PART 1 - SECTION 2

Reinsurance Assumed for Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year											
1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsured	Location	Type of Reinsurance Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
					· · · · · · · · · · · · · · · · · · ·	• • • • • • • • • • • • • • • • • • • •					
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0399999	Totals										1

SCHEDULE S - PART 2

1	2	3	ble on Paid and Unpaid Losses Listed by Re 4	5	7	
NAIC		Ü	·	· ·	6	,
Company	Federal ID	F##: D-+-	Name of Commonwe	Lasakian	Daid Lassas	
663/6	Number 58-0828824	01/01/2005	Name of Company Munich American Reassurance Company	Location At lanta Georgia	Paid Losses	Unpaid Losses
0199999 - Life	and Annuity Aff	iliates	Name of Company Munich American Reassurance Company	Attanta ocorgia.	275,701	Unpaid Losses 199,160
0399999 - Tota	ıls - Life and Anı	nuity			275,701	199,160
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0799999 - To	tals				275,701	199,160

SCHEDULE S - PART 3 - SECTION 2

1 2 3 4 5 6 7 8 9 Outstanding Surplus Relief 12 13		Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year											
NACC Droppy Federal by Effective Date Name of Company Location Type Premiums Effective Date Name of Company Funds Withheld Under Consumers Funds Withhe	1	2	3	4	5	6	7	8		Outstanding	Surplus Relief	12	13
Number Effective Date Number Effective Date Number Corregany Elegander Ele	NAIC								Reserve Credit			Modified	
Number Effective Date Number Effective Date Number Corregany Elegander Ele	Company	Federal ID						Unearned Premiums	Taken Other than for			Coinsurance	Funds Withheld
Second Company Allanta Georgia Allanta Georgia Allanta Georgia Allanta Georgia Allanta Georgia Allanta Georgia 286 853 Second Georgia Allanta Georgia Allanta Georgia 286 853 Second Georgia Allanta Georgia Allanta Georgia 286 853 Second Georgia Allanta Georgia		Number	Effective Date	Name of Company	Location	Type	Premiums	(estimated)	Unearned Premiums	Current Year	Prior Year		Under Coinsurance
		58-0828824	01/01/2005	Munich American Life Reassuracne Company			258.631	(**************************************					
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	0300000	Totale	•				250 621						

SCHEDULE S - PART 4

	Reinsurance Ceded to Unauthorized Companies												
1	2	3	4	5	6	7	8	9	10	11	12	13	14
NAIC Company Code	Federal ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Total Cols. (5+6+7)	Letters of Credit	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+10+11+12+13 But Not in Excess of Col. 8
	· · · · · · · · · · · · · · · · · · ·					VO							
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	· · · · · · · · · · · · · · · · · · ·												
	•												
	· · · · · · · · · · · · · · · · · · ·												
1199999	Totals												

Schedule S-Part 5 Five-Year Exhibit of Reinsurance Ceded Business (000 Omitted)

(000 Offitted)										
		1 2005	2 2004	3 2003	4 2002	5 2001				
Α. (OPERATIONS ITEMS									
1.	Premiums	0	0	0	0	0				
2.	Title XVIII-Medicare	0	0	0	0	0				
3.	Title XIX-Medicaid	259	498	325	339	348				
4.	Commissions and reinsurance expense allowance		0	0	0	0				
5.	Total hospital and medical expenses		0	0	0	0				
B . l	BALANCE SHEET ITEMS									
6.	Premiums receivable		0	0	0	0				
7.	Claims payable		0	0	0	0				
8.	Reinsurance recoverable on paid losses	199	0	0	0	0				
9.	Experience rating refunds due or unpaid		0	0	0	156				
10.	Commissions and reinsurance expense allowances unpaid		0	0	0	0				
11.	Unauthorized reinsurance offset	0	0	0	0	0				
	UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)									
12.	Funds deposited by and withheld from (F)	0	0	0	0	0				
13.	Letters of credit (L)	0	0	0	0	0				
14.	Trust agreements (T)	0	0	0	0	0				
15.	Other (O)	0	0	0	0	0				

SCHEDULE S-PART 6

Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	nestatement of balance Sheet to identify Net C	1	2	3
		As Reported (net of ceded)	Restatement Adjustments	Restated (gross of ceded)
	ASSETS (Page 2, Col. 3)			
1.	Cash and invested assets (Line 10)			31,062,246
2.	Accident and health premiums due and unpaid (Line 13)	0		0
3.	Amounts recoverable from reinsurers (Line 14.1)	199,160		199 , 160
4.	Net credit for ceded reinsurance	xxx	199 , 160	199 , 160
5.	All other admitted assets (Balance)	1,392,631		1,392,631
6.	Total assets (Line 26)	32,654,037	199,160	32,853,197
	LIABILITIES, CAPITAL AND SURPLUS (Page 3)			
7.	Claims unpaid (Line 1)	11,874,383	0	11,874,383
8.	Accrued medical incentive pool and bonus payments (Line 2)			368,405
9.	Premiums received in advance (Line 8)	0		0
10.	Reinsurance in unauthorized companies (Line 18)	0		0
11.	All other liabilities (Balance)	4,169,179		4,169,179
12.	Total liabilities (Line 22)	16,411,967	0	16,411,967
13.	Total capital and surplus (Line 31)	16,242,070	XXX	16,242,070
14.	Total liabilities, capital and surplus (Line 32)	32,654,037	0	32,654,037
	NET CREDIT FOR CEDED REINSURANCE			
15.	Claims unpaid	0		
16.	Accrued medical incentive pool.	0		
17.	Premiums received in advance	0		
18.	Reinsurance recoverable on paid losses	199 , 160		
19.	Other ceded reinsurance recoverables	0		
20.	Total ceded reinsurance recoverables	199,160		
21.	Premiums receivable	0		
22.	Unauthorized reinsurance	0		
23.	Other ceded reinsurance payables/offsets	. 0		
24.	Total ceded reinsurance payable/offsets	. 0		
25.	Total net credit for ceded reinsurance	199,160		

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SCHEDULE Y PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

	PART 2 - SUMMARY OF INSURER S TRANSACTIONS WITH ANY AFFILIATES											
1	2	3	4	5	6	7	8	9	10	11	12	13
						Income/						
					Purchases, Sales or							
					Exchanges of	Incurred in						Reinsurance
					Loans, Securities,	Connection with		Income/		Any Other Material		Recoverable/
					Real	Guarantees or		(Disbursements)		Activity Not in the		(Payable) on Losses
NAIC					Estate, Mortgage	Undertakings for the	Management	Incurred Under		Ordinary Course of		and/or Reserve
Company	Federal ID		Shareholder	Capital	Loans or Other	Benefit of any	Agreements and	Reinsurance		the Insurer's		Credit
Code	Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Dividends	Contributions	Investments	Affiliate(s)	Service Contracts	Agreements	*	Business	Totals	Taken/(Liability)
Oode	38-2170985	Alcona Health Center	Dividends	Continuations	investinents	Allillate(3)	356,384	Agreements		Dusiness	356,384	raker/(Liability)
	38-2679075	Family Health Center - Battle Creek					486,540			•	486,540	
	38-2406558	Hamilton Family Health Center					98,804			•	98,804	
	30-2400000	Tamiliton raminy nearth center.					90,004				90,004	
	38-2290337	Inunder Bay Community Hearth					139,816				139,816	
	38-2053619	Hamilton Family Health Center. Thunder Bay Community Health. Baldwin Family Health Care Family Health Center - Kalamazoo					278,572				278,572	
	23-7107569	Family Health Center - Kalamazoo			 		266,337				266,337	
	38 - 1908328	Health Delivery Inc					701,169		ļ		701,169	
	38-6020434	Mid Michigan Medical Center					413,248				413,248	
	38-3853534	Charry Street Health Services					709 , 100				709,100	
	38 - 2150252	East Jordan Family Health Center					47 ,592			•	47,592	
	38-2308659	East Jordan Family Health Center. Family Medical Center Intercare Community Health Network. Sterling Area Health Center					24,829				24,829	
	38-2009364	Intercare Community Health Network					814.587				814.587	
	38 - 2205859	Sterling Area Health Center					5,048				5,048	
95562	38-3252216	Community Choice Michigan					(12,895,710)				(12,895,710)	
3000Z	36-3338328	Americhoice.					8,553,684			•	8,553,684	
	31-1703371	Care Source Management Group									n	
	31-1703371	totale oour de management of oup										
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9999999 Cc	ontrol Totals		0	0	0	0	0	0	XXX	0	0	0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of **WAIVED** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	MARCH FILING	Responses
1.	Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2.	Will an actuarial opinion be filed by March 1?	YES
3.	Will the Risk-based Capital Report be filed with the NAIC by March 1?	YES
4.	Will the Risk-based Capital be filed with the state of domicile, if required by March 1?	YES
	APRIL FILING	
5.	Will Management's Discussion and Analysis be filed by April 1?	YES
6.	Will the Investment Risks Interrogatories be filed by April 1?	YES
	JUNE FILING	
7.	Will an audited financial report be filed by June 1?	YES
vhich t	llowing supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code ment is required of your company but is not filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory	e will be printed below. If the
	MARCH FILING	
8.	,	N0
9.	Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	N0
10.	Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?	N0
11.	Will the Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	N0
	APRIL FILING	
12.	Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile by April 1?	N0
13.	Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
14.	Will the Supplemental Property/Casualty data due April 1 be filed with the state of domicile and the NAIC?	N0
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